MoakCasey
PROVEN LEADERS ADVANCING TEXAS SCHOOLS

Efficiency Audit Report

Prepared for

South San Antonio Independent School District
South San I.S.D.

Efficiency Audit Overview

Efficiency Audit Guidelines

- **South San Antonio ISD** engaged with **MoakCasey, LLC** in **June 2026** to conduct an **efficiency audit**. These audits are a required* part of the process leading up to a **Voter-Approval Tax Rate Election (VATRE)**.

- The format and scope of these audits are determined by guidelines published by the **Legislative Budget Board (LBB)**.

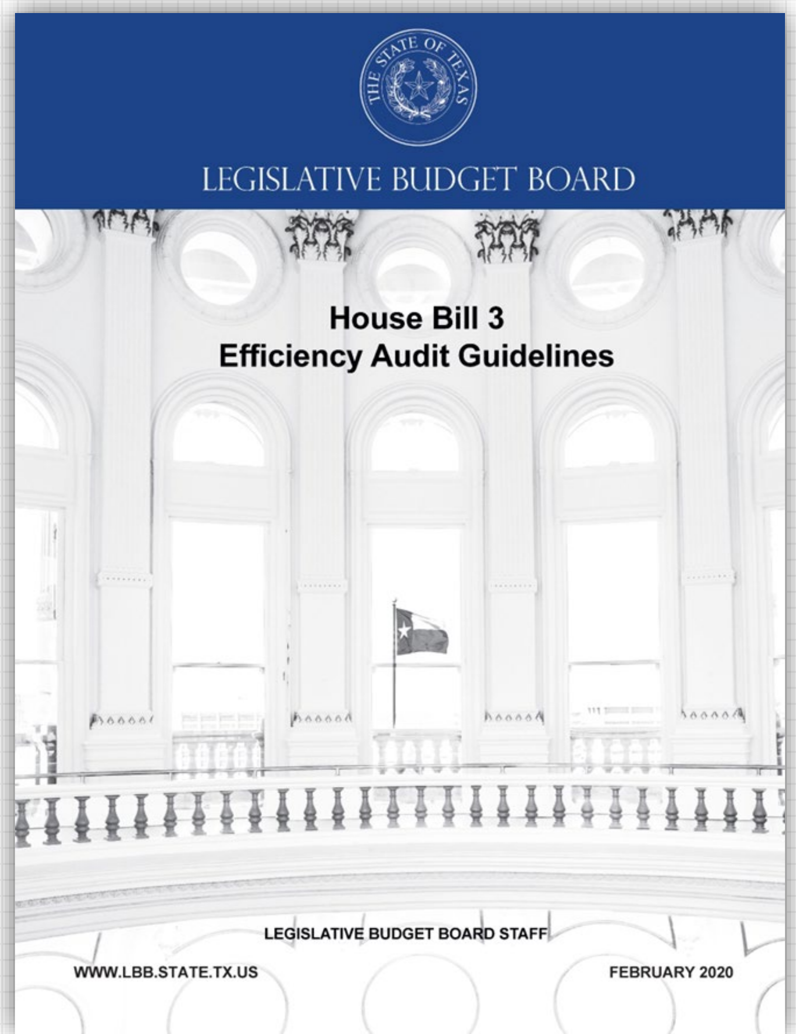
- These guidelines differ from an annual financial audit that uses **Generally Accepted Accounting Principles (GAAP)**. There is **no opinion or findings** provided as part of this audit.

- The first half of the report focuses on comparing the district to **peer and state averages** across a number of different academic, demographic and financial measures (**Items 1–11**). The second half focuses on a qualitative review of the district's implementation of various **best practices** identified by the LBB (**Items 12-20**).

**TEC §11.184(b-1) allows a district to exempt itself from the audit requirements if the governor declared a disaster within a two-year period preceding a VATRE.*

Efficiency Audit Overview

Efficiency Audit Guidelines


THE STATE OF TEXAS

LEGISLATIVE BUDGET BOARD

House Bill 3
Efficiency Audit Guidelines

LEGISLATIVE BUDGET BOARD STAFF

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FEBRUARY 2020

The Legislative Budget Board has released guidelines that govern the purpose and content of the audit.

"…The purpose of the efficiency audit is to provide information to voters regarding a school district's fiscal management, efficiency, and utilization of resources before an election to adopt an M&O tax rate."

Efficiency Audit Overview

Efficiency Audit Guidelines

Quantitative Items

- Item 4: **Student Characteristics**
- Item 5: **District Revenue**
- Item 6: **District Expenditures**
- Item 7: **District Payroll Expenditures**
- Item 8: **Fund Balance**
- Item 9: **District Staffing Levels**
- Item 10: **Teacher Turnover Rates**
- *Item 11: **Special Programs***

(From Statewide Datasets/MoakCasey)

Qualitative/Descriptive Items

- Item 1: **Peer Districts**
- Item 2: **Accountability Rating**
- Item 3: **Financial Rating (FIRST)**
- *Item 12: **State & Regional Resources***
- *Item 13: **External Audit Report***
- *Item 14: **TEA Oversight***
- *Item 15: **Budget Process***
- *Item 16: **Self-Funded Programs***
- *Item 17: **Administrator Evaluation***
- *Item 18: **Compensation System***
- *Item 19: **Planning***
- *Item 20: **Academic Programs***

(From District Self-Report)

Efficiency Audit Guidelines

Efficiency Audit Timeline

JUN 15
MoakCasey, LLC selected as efficiency auditor.

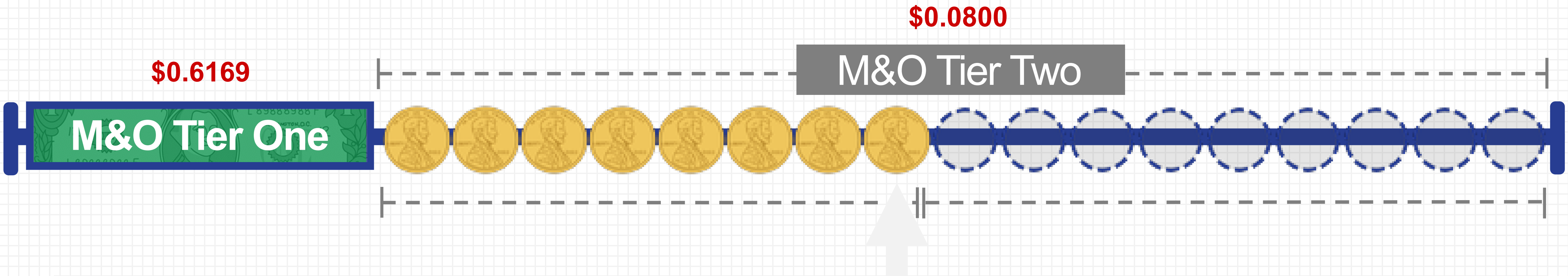
JUL 3
Deadline to select efficiency auditor (four months prior to election, subject to disaster exemption).

AUG 17
SSISD calls for election/adopts 2026-27 tax rate (78 days prior to election).

SEP 15
Deadline to publish audit results (three months after auditor selection, subject to disaster exemption).

NOV 3
Uniform election date.

M&O Tax Rate Impact



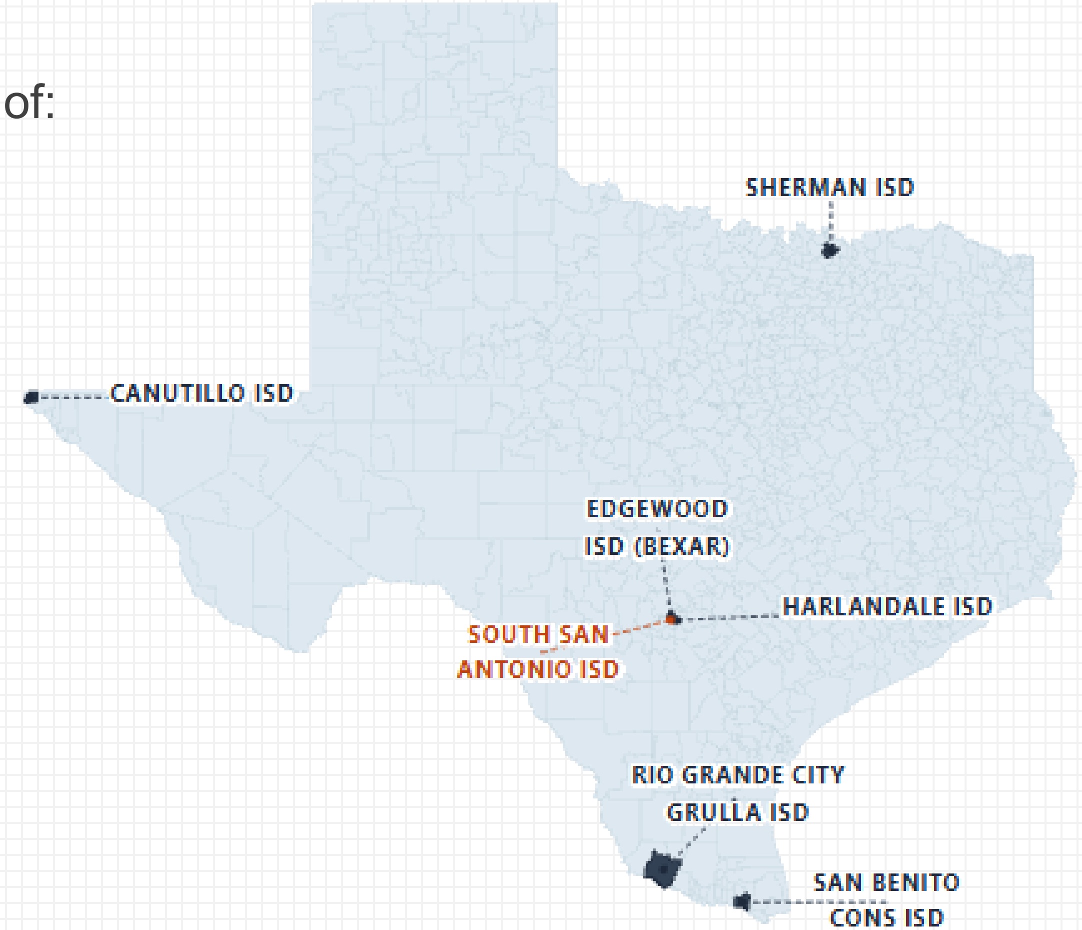
- Passed in 2019, HB 3 has compressed the Tier One portion of M&O rates across the state. Since that time, **South San Antonio ISD** currently has seen their Tier One rate be compressed down to **$0.6169**. The specific amount of compression can vary from ISD to ISD as it is dependent in part on local property value growth.
- Tier Two, also referred to as the "enrichment" rate is comprised of two levels: Level One (Golden Pennies) and Level Two (Copper Pennies). Generally speaking, districts can adopt a maximum of **$0.17** in Tier Two (**$0.08** golden pennies and **$0.09** copper pennies). Golden pennies come with a higher state guaranteed yield and are not subject to recapture. Yield on copper pennies is lower and they are subject to recapture.
- **South San Antonio ISD** currently has **$0.0800** pennies adopted, leaving **$0.0900** remaining under state law. The district estimates that adopting these additional pennies in the M&O rate will generate about **$3,000,000**.

Peer Districts

Summary of Audit Results

The peer districts were selected based on how they compared to the district in terms of:

- Current and historical enrollment;
- ADA to WADA ratio
  (proxy for student eligibility for special programs)
- Tier Two M&O tax rate
  (local tax effort)
- Geographic proximity and NCES type.



Peer Districts

District	Enrollment	5yr Growth	WADA/ADA	Tier Two Pennies	ESC	NCES
SOUTH SAN ANTONIO ISD	7,084	-14.3%	1.5956	0.0800	20	City
CANUTILLO ISD	5,620	-6.9%	1.4382	0.1383	19	City
EDGEWOOD ISD	7,694	-15.9%	1.6260	0.1383	20	City
HARLANDALE ISD	11,114	-11.2%	1.5300	0.1383	20	City
RIO GRANDE CITY GRULLA ISD	9,164	-8.3%	1.6441	0.0825	1	Town
SAN BENITO CISD	8,624	-11.3%	1.5787	0.1700	1	Suburb
SHERMAN ISD	7,487	-0.2%	1.5320	0.1383	10	City

Summary of Audit Results

Accountability Rating

Summary of Audit Results

For 2024-25, SSISD received an A-F score of 65 (D rating), trailing the peer average of 74.2 by nearly 10 points. The District earned a C rating in 2025-26, improving to an overall score of 75.

	District Rating (A–F)	District Score (1–100)	Peer Districts Average Score (1–100)
Rating / Score	D	65	74.2

Peer District	Rating (A–F)	Score (1–100)
CANUTILLO ISD	C	78
EDGEWOOD ISD	D	66
HARLANDALE ISD	D	69
RIO GRANDE CITY GRULLA ISD	B	82
SAN BENITO CISD	C	77
SHERMAN ISD	C	73

Source: TEA 2025 Ratings (2024-25)

Accountability Rating

For 2024-25, the district saw 4 B-rated campuses, 4 C-rated campuses, 3 D-rated campuses and 1 F-rated campus. For 2025-26, the district saw 3 B-rated campuses, 4 C-rated campuses, 2 D-rated campuses and 1 F-rated campus.

Rating	Elementary	Middle	High	Other
A	0	0	0	0
B	4	0	0	0
C	2	2	0	0
D	2	0	1	0
F	0	1	0	0

Campuses that received an F accountability rating: *Dwight Middle (2024-25); Palo Alto Elementary (2025-26)*

Source: TEA 2025 Ratings (2024-25)

Summary of Audit Results

FIRST Rating

SSISD earned an A rating under School FIRST for 2024-25 (based on 2023-24 data). The District also received an A rating in the 2025-26 FIRST release (based on 2024-25 data).

	District Grade (A–F)
Rating	A

INDICATORS WHERE POINTS WERE NOT FULLY EARNED

Indicator
Indicator 8 (8 of 10 points): Current assets to current liabilities ratio sufficient to cover short-term debt
Indicator 11 (6 of 10 points): Long-term liabilities to total assets ratio supports long-term solvency
Indicator 12 (8 of 10 points): Correlation between future debt requirements and assessed property value

Summary of Audit Results

Source: TEA FIRST Ratings (2024-25 Ratings Based on School Year 2023-24 Data)

Student Characteristics

Economically disadvantaged students represent 89.8% of enrollment, 6.1 percentage points above the peer average.

	Count	District %	Peer Avg %	State Avg %
Economically Disadvantaged	6,358	89.8%	83.7%	59.9%
English Learners	1,732	24.4%	33.7%	23.6%
Special Education	1,266	17.9%	16.8%	16.7%
Bilingual/ESL Education	1,763	23.6%	36.3%	24.3%
Career and Technical Education	1,638	21.9%	26.2%	27.7%

Source: PEIMS Standard Reports (2025-26); TAPR (2024-25)

Summary of Audit Results

Attendance Rate

District attendance rate of 91.8% nearly matches the peer average but falls 2.1 points below the state rate.

	District	Peer Districts Average	State Average
Attendance Rate	91.8%	91.6%	93.9%

Source: TAPR (2024-25)

Summary of Audit Results

Five-Year Trend

Summary of Audit Results

Enrollment declined from 7,922 to 7,084 students over five years, averaging a 2.8% annual decrease.

School Year	Enrollment
4 Years Prior (2021-22)	7,922
3 Years Prior (2022-23)	7,872
2 Years Prior (2023-24)	7,429
1 Year Prior (2024-25)	7,468
Most Recent (2025-26)	7,084

Source: PEIMS Standard Reports (2021-22 through 2025-26)

Revenues

Summary of Audit Results

Total revenue per student of $13,944 exceeds both the peer average ($13,659) and state average ($12,548).

	DISTRICT		PEER AVG		STATE AVG	
	Revenue Per Student	% of Total	Revenue Per Student	% of Total	Revenue Per Student	% of Total
Local M&O Tax (Retained)	$2,438	17.5%	$2,781	20.4%	$5,171	41.2%
State	$8,370	60.0%	$7,802	57.1%	$5,159	41.1%
Federal	$2,795	20.0%	$2,635	19.3%	$1,440	11.5%
Other Local and Intermediate	$341	2.4%	$442	3.2%	$778	6.2%
Total Revenue	$13,944	100.0%	$13,659	100.0%	$12,548	100.0%

Source: TEA PEIMS Financial Reports (2024-25)

Expenditures

Summary of Audit Results

Per-student operating expenditures of $14,341 are comparable to the peer average of $14,377.

TOP 5 FUNCTIONS

	DISTRICT		PEER AVG		STATE AVG	
	Expenditures Per Student	% of Total	Expenditures Per Student	% of Total	Expenditures Per Student	% of Total
Instruction	$6,977	48.6%	$7,566	52.6%	$7,094	55.0%
Plant Maintenance and Operations	$1,720	12.0%	$1,573	10.9%	$1,276	9.9%
Food Service Operation	$1,038	7.2%	$1,026	7.1%	$691	5.4%
School Leadership	$653	4.6%	$788	5.5%	$718	5.6%
Curriculum and Staff Development	$639	4.5%	$336	2.3%	$288	2.2%
Total Operating Expenditures	$14,341	100.0%	$14,377	100.0%	$12,890	100.0%

Source: TEA PEIMS Financial Reports (2024-25)

Summary of Audit Results

Payroll Expenditures

Payroll represents 77.2% of all-funds expenditures, roughly 2.7 points below the peer and state averages.

	District	Peer Districts Average	State Average
Payroll as a Percentage of All Funds	77.2%	79.9%	79.5%
Average Teacher Salary	$69,288	$65,827	$68,001
Average Administrative Salary	$101,126	$95,409	$99,555
Superintendent Salary	$280,000	$270,902	$175,005

Note: Payroll as a Percentage of All Funds reflects all operating funds. It is drawn from PEIMS financial data, which is reported a year behind the salary figures above — 2024-25 in this report.

Source: PEIMS Staff FTE Counts and Salary Report; PEIMS Superintendent Salary Report (2025-26)

Fund Balance

Fund balance of $3,220 per student covers 118.1% of three-month operating expenditures.

Year	Fund Balance Per Student	% of 3-Month Operating Expenditures
Current School Year (2024-25 actual)	$3,220	118.1%
1 Year Prior (2023-24 actual)	$3,385	124.4%
2 Years Prior (2022-23 actual)	$4,252	194.2%
3 Years Prior (2021-22 actual)	$3,836	171.8%
4 Years Prior (2020-21 actual)	$3,514	148.8%

Source: PEIMS Financial Actual Reports (2020-21 through 2024-25)

Staffing Levels

District staffing ratio of 6.7 students per staff member is slightly above the peer and state average of 6.5.

	District	Peer Districts Average	State Average
Teaching (% of Total Staff)	42.7%	45.0%	48.0%
Support (% of Total Staff)	11.4%	9.8%	11.0%
Administration (% of Total Staff)	6.3%	3.8%	4.6%
Paraprofessional (% of Total Staff)	10.0%	8.3%	11.2%
Auxiliary (% of Total Staff)	29.5%	33.1%	25.1%
Students Per Teaching Staff	15.7	14.4	13.6
Students Per Total Staff	6.7	6.5	6.5

Summary of Audit Results

Source: PEIMS Standard Reports (2025-26)

Teacher Turnover

Summary of Audit Results

Teacher turnover rate of 20.0% exceeds both the peer average (16.5%) and state average (18.8%).

	District Turnover Rate	Average Peer District Turnover Rate	State Average Turnover Rate
Teachers	20.0%	16.5%	18.8%

Source: TAPR (2025-26)

Summary of Audit Results

Special Programs

Program	Students	% of Enrolled	Budget/ Student	Budget % of Total	Staff FTE	Students/ Staff
Special Education	1,266	17.0%	$5,943	8.6%	57.1	22.2
Bilingual / ESL	900	12.1%	$660	0.7%	54.0	16.7
Migrant Education	3	0.0%	—	—	0.0	—
Gifted & Talented	479	6.4%	$307	0.2%	23.0	20.8
Career & Technical Ed	1,650	22.1%	$1,636	3.1%	24.3	67.9
Athletics	7,000	93.7%	$344	2.7%	80.0	87.5
Alternative Ed Program (AEP)	40	0.5%	$315	0.0%	3.0	13.3
Juvenile Justice AEP	0	0.0%	—	—	0.0	—

Source: Self-Reported by District

Summary of Audit Results

External Audit

- Weaver and Tidwell, L.L.P. issued an unmodified (clean) opinion on 2025 financial statements per GAAP.
- No material weaknesses or significant deficiencies were reported in the external audit.
- The full audit is available on South San Antonio ISD's website.

TEA Oversight

- No TEA financial monitoring or oversight role has been assigned in the last three years.
- A board of managers was appointed in 2025 due to issues unrelated to district finances (see page 4).

Summary of Audit Results

Self-Funded Programs

Summary of Audit Results

- South San Antonio ISD operates self-funded programs outside its general operating budget for specific financial obligations.
- Workers' Compensation is the district's identified self-funded program for 2025-26, funded on an as-needed basis.

Summary of Audit Results

Administrator Evaluations

- Administrators set annual performance goals evaluated at two formal checkpoints: a midpoint review and a year-end evaluation.
- Consistent goal-setting and dual-checkpoint structure keeps performance expectations aligned with operational priorities district-wide.
- Formal ratings are awarded upon cycle completion, reflecting each administrator's performance relative to established goals.

Compensation System

Summary of Audit Results

Question	Response
Does the district use salary bonuses or merit pay systems? If yes, explain the performance-based systems and the factors used.	Yes
Do the district's salary ranges include minimum, midpoint, and maximum increments to promote compensation equity based on the employee's education, experience, and other relevant factors?	Yes
Does the district periodically adjust its compensation structure using verifiable salary survey information, benchmarking, and comparable salary data?	Yes
Has the district made any internal equity and/or market adjustments to salaries within the past two years?	No

Planning

Summary of Audit Results

Question	Response
Does the district develop a District Improvement Plan (DIP) annually?	Yes
Do all campuses in the district develop a Campus Improvement Plan (CIP) annually?	Yes
Does the district have an active and current facilities master plan?	Yes
If facilities master plan exists — does the district use enrollment projections?	Yes
If facilities master plan exists — does the district analyze facility capacity?	Yes
If facilities master plan exists — does the district evaluate facility condition?	Yes
Does the district have an active and current energy management plan?	Yes
Does the district maintain a clearly defined staffing formula for staff in maintenance, custodial, food service, and transportation?	Yes

Summary of Audit Results

Academic Programs

Question	Response
Does the district have a teacher mentoring program?	Yes
Are decisions to adopt new programs or discontinue existing programs made based on quantifiable data and research?	Yes
When adopting new programs, does the district define expected results?	Yes
Does the district analyze student test results at the district and/or campus level to design, implement and/or monitor the use of curriculum and instructional programs?	Yes
Does the district modify programs, plan staff development opportunities, or evaluate staff based on analyses of student test results?	Yes

Questions & Comments